
V. PROPOSAL INSTRUCTIONS

A. General Instructions

- **READ ALL INSTRUCTIONS CAREFULLY.** Re-check the proposal to ensure completeness.
- The organization must demonstrate an understanding of the services to be delivered under the intended contract, the capacity of the organization to carry out the services, and the ability to design and carry out efficient services that are reasonably budgeted. **Do not assume that the reviewers have prior knowledge of the past history or previous tobacco control services administered by the organization.**
- **DO NOT PROVIDE ANY MATERIALS THAT ARE NOT REQUESTED.** Any materials submitted that are not requested under this proposal will be discarded prior to proposal review, including pages that go over the maximum number in specified sections with page limitations.
- Number each page of the proposal consecutively.
- No less than font size 9 is to be used with Attachment 4, SOW. No less than font size 12 is to be used for all other sections of the proposal, and no less than ½ inch margins.
- Folders and binders are **not** desired; securely staple the proposal in the upper left corner.
- Attachments 1, 5, and 6 require a signature by the person authorized to legally bind the organization to the commitment outlined in the proposal. **Allow enough time to obtain these required signatures.**
- Clearly indicate "American Indian/Alaskan Native Rural California Tobacco Use Survey RFP 06-55456" on the outside of the mailing envelope.

B. Order of the Proposal

Present the components of the proposal in the order listed below using the instructions provided on subsequent pages to complete each area, except for Proposal Checklist, Attachment 3, which you are not required to submit. View or download attachments and required forms at the CDHS/TCS web site:

<http://www.dhs.ca.gov/tobacco/html/funding.htm>.

1. **Proposal Cover Sheet** (Attachment 1)
2. **Table of Contents** (Attachment 2)

3. **Proposal Checklist** (Attachment 3)
4. **Agency Capability** (No Attachment, 10 Page Limit)
5. **Project Description**
 - a. Project Narrative (No Attachment, 25 page limit excluding Timeline and Organization Chart)
 - b. Timeline (No Attachment, no page limit)
 - c. Organization Chart (No Attachment, no page limit)
6. **Scope of Work** (Attachment 4, no page limit)
7. **Budget Justification/Budget** (No Attachment, no page limit)
8. **Additional Required Forms**
 - a. Agency Documentation Requirements (Attachment 5)
 - b. Certification of Non-Acceptance of Tobacco Funds (Attachment 6)
9. **Curriculum Vitae of Primary Professional Staff**

8 a & b denotes the document requires a signature by the person authorized to bind the organization. Read the documents and allow time to obtain the required signatures.

C. Proposal Requirements

1. Proposal Cover Sheet (Attachment 1)

Item 1: Enter the legal name of the organization. The project name: American Indian/Alaskan Native California Rural Tobacco Use Survey has already been entered for you. Enter the mailing address that will appear on any subsequent agreement. Enter the name of the county in which the applicant's primary headquarters is located. Enter the contact person's name, telephone number, FAX number, and email address. Enter the federal identification number of the organization.

Item 2: The contract term: July 1, 2007 to June 30, 2009, has been provided and is for 24 months.

Item 3: Enter the budget amount proposed for the **entire contract term**.

Item 4: The official authorized by the organization to sign on behalf of the organization must sign and date the certification statement provided. Also print or type the name and title of this individual.

2. **Table of Contents** (Attachment 2)

Proposals must have a table of contents with page numbers referenced. Proposal sections must be presented in the sequence shown on the Proposal Checklist (Attachment 3).

3. **Proposal Checklist** (Attachment 3)

The items included on the checklist are **required** to be submitted as part of the proposal and must be presented in the order noted on this form. **If any items are omitted from the proposal, the proposal will be considered incomplete and out of compliance and will not be reviewed.** Complete the attached proposal checklist to ensure that all proposal attachments and required components are included.

NOTE: The checklist is for your use to ensure a complete package. You are not required to submit the checklist as part of the actual proposal.

4. **Agency Capability** (No attachment provided, 10 **page limit**) = 35 points

Answer all of the following questions as they apply to the proposing organization and subcontractors.

a. **Data Collection/Analytic Capabilities**

- (1) Describe the primary purpose or function of the organization, how long in existence, the general range of functions in which the organization has experience, and how long it has been involved in these various functions.
Scoring Criteria: One of the organization's primary focuses or functions has been evaluation or survey research for a minimum of five years.
- (2) Describe the organization's ability and experience in working with AI/AN communities in a culturally competent manner.
Scoring Criteria: At least five years of experience working with AI/AN communities.
- (3) Describe the organization's experience and expertise in carrying out large-scale surveys covering knowledge, attitudes, and behaviors regarding chronic disease risk factors such as tobacco use. To include but not limited to: questionnaire design, cognitive testing, pilot testing of survey instruments, sampling, data collection, and analysis.
Scoring Criteria: At least five years of experience conducting large scale surveys.
- (4) Describe the organization's current and past contractual relationships with AI/AN communities or the nature of those contracts, and the extent to which any contractual relationship with a state or federal project may

influence (e.g., facilitate or hinder) work on this survey, data analysis, reporting, confidentiality issues, etc.

Scoring Criteria: Demonstration that past or current fiduciary relationships will not influence implementation of this survey.

- (5) Describe the organization's ability and experience in collecting data compatible with other state and national data.

Scoring Criteria: Evidence of publications by the PI comparing state and national data.

- (6) Describe the education and experience of the primary proposed professional staff, full-time and part-time, and identify who will be involved in what work, with descriptions of duties and qualifications. Describe relevant surveys and publications previously performed by the PI/project director and/or PI/project director of subcontractors. Attach curriculum vitae of key professional staff.

Scoring Criteria: Professional staff will be qualified to conduct the SOW as demonstrated by their training, experience, and publications; and that their time dedicated to this contract is adequate to achieve the expected quality, quantity, and timeliness of deliverables.

b. Administrative Capabilities

- (1) Describe the organization's history in the last three years managing contract funds; such as: funds received from federal, state, local governmental agencies, or foundations. Describe the funding agencies, the amount received, and how the agreement(s) were managed, i.e., were the agreement deliverables accomplished in a timely manner, were invoices timely and accurate, and were fiscal records in good standing?

Scoring Criteria: Demonstrate at least three years of satisfactory performance administering fiscal programmatic management of federal, state, local government agreement funds, including timely and accurate submission of fiscal and program documentation, subcontractor documentation, completion of deliverables, which are timely and satisfactory to the funding agency.

- (2) Describe the organization's audit history in the past three years. Describe the reason for the audit, the entity who performed the audit, and frequency of audits, date of last audit, and a summary of the major findings from the last audit. If there were any negative findings, discuss corrective actions to address the findings.

Scoring Criteria: Demonstrate a three-year history of acceptable fiscal audits.

- (3) Indicate if the organization has been audited (fiscal or programmatic) by a State agency. If yes, list: a) the name of the State agency; b) State agency contact person and telephone number; c) the year the audit was conducted; and d) the outcome of the audit. CDHS/TCS reserves the

right, at its sole discretion, to follow up with the contact person by telephone to confirm the audit history.

Scoring Criteria: Demonstrate the type of audit and the State Agency.

(4) Equipment

Describe the office and computer equipment the applicant has available for use in this project. Organization equipment must meet the minimum CDHS/TCS specifications in Attachment 7. Include in the description:

a) the number and type of equipment available, e.g., desks, chairs, typewriters, facsimile machines, personal computers, printers, etc.; b) whether or not the computers have modems and communications software; c) the software packages your organization uses for word processing, spreadsheets, databases, etc.; and, d) approximately when the computer equipment was purchased, and its availability for use in this project, if funded.

Scoring Criteria: Demonstrate adequate office equipment resources for all staff including updated computer equipment and software that are available for use on the project.

Due to the limited duration of this RFP, the Equipment Category will be limited to software purchases only. Therefore, agencies must have adequate equipment available for use in this proposed project.

5. **Project Narrative** (No attachment provided, **25 page limit excluding Timeline and Organization Chart**) = 60 points total

- a. Describe specifically how you will carry out this survey, including survey methodologies, variables of interest, and analytic methods. The description should provide substantial detail addressing the questions, issues, and components outlined in **Section II, Scope of Work**.

Organize the Project Narrative into the following sections: Sampling Design (20 points), Data Collection Plan (25 points), and Analytic Plan (15 points). The description should include the staff positions or subcontractors responsible for performing the planned work.

Scoring Criteria: The applicant demonstrates efficient and appropriate sampling methods and the type of survey for the rural AI/AN community settings; provides thorough description of data collection instruments and protocols, sample size, interviewer training, data management, quality control, and data preparation. The applicant proposes a sophisticated analytic plan that will provide statewide results for the rural AI/AN population, comparisons to national and other state level results, and interpretation of data that are relevant to CTCP's and the AI/AN communities' programmatic needs. The analytic plan should include, but is not limited to, how comparisons will be made and proposed statistical analyses.

The applicant lays out the plan according to the requirements outlined in **Section II. Scope of Work** including following key information:

(1) Survey Plan

(a) Sample Design

- Definition of rural of AI/AN population for the purpose of this survey
- Sample frame and design
- Sample size calculation
- Sample recruitment methods
- Justification of the representativeness of the sample

(b) Data Collection and Preparation Plan

- Types of interview
- Survey instrument development
- Interview process and quality control
- Data preparation
- Protection of Human Subject

(2) Analytic Plan

(3) Reports and Deliverables

b. **Timeline** (No attachment provided) (No page limit) = 0 point total

Prepare a timeline that identifies completion dates for the major activities and deliverables of this project. The purpose of the timeline is to concisely summarize the steps required for the deliverables. The deliverables should include, but not be limited to: survey instrument and pilot test results, description of sampling plan, survey protocol, institutional review board for protection of human rights approval, survey schedule, interviewer recruitment and training, final data preparation, analyses and preliminary report, and final report.

Scoring Criteria: Timeline includes all activities and deliverables in appropriate timeframes between July 1, 2007 and June 30, 2009.

c. **Organization Chart** (No attachment provided [No page limit]) = 0 point total

Provide an agency organization chart that indicates lines of authority and reporting relationships. Provide any supplemental information that defines how staffing will be organized to support major survey project components to clarify for reviewers which staff members will support the various project components.

6. **Scope of Work** = 25 points (No page limit [Attachment 4, electronic template also located on <http://www.dhs.ca.gov/tobacco/html/funding.htm>])

The SOW provides the basis for agreement negotiations, and along with the Budget, becomes a legally binding document. The SOW is referenced in the agreement and is the “road map” that provides the direction, activities, expected outcomes, and deliverables of the project. The approved SOW and any

subsequent revision is incorporated and made part of the agreement. The SOW can only be changed with prior approval from CDHS/TCS.

All work mentioned in the Project Narrative needs to be detailed in the SOW, and information provided in the Narrative is to be consistent with information in the SOW, e.g., sample sizes. The Budget and Budget Justification should closely correspond to SOW activities, deliverables, staffing, and subcontracts.

Complete the SOW using the following instructions. Refer to Attachment 4 for a blank form and Appendix C for a sample SOW. A complete format/template is available on the CDHS/TCS website at:

<http://www.dhs.ca.gov/tobacco/html/funding.htm>.

Note: When completing the SOW using the template provided on the web page, do **not** attempt to number the pages. Although page numbers do not appear on your computer screen, they are automatically tabulated and appear correctly when the form is printed.

Scoring Criteria: Funding preference will be given to the agency that most closely addresses the criteria below:

- Overall, the SOW provides a well-organized and detailed “road map” of the project that describes:
 - What will be done;
 - How much will be done;
 - Designation of CDHS/TCS copyright on products;
 - The percentage of effort appropriated to complete deliverables;
 - Start and End dates for completion of activities;
 - Staff, subcontractors, or consultants responsible for the activities and;
 - Appropriate tracking measures.
- Provides sequential and realistic activities in terms of quantity, scientific rigor, and effectiveness to achieve the objectives in the time period.
- Provides appropriate survey research methods, data management and quality

a. **Header Information**

The header information must be included on every page. Include your agency name. The agreement number, 06-55456, has been provided. (Note: these two fields do not show up on the attachment or appendix sample, but the fields are available on the template provided). The Project Name, American Indian and Alaskan Native Rural California Tobacco Use Survey, has been provided. The Revision Date January 25, 2007, has been provided. Leave Report Period blank.

b. **Column 1: Objectives/Activities**

Objective: Enter sequentially the time-limited objectives related to the project components outlined in II. Scope of Work (page 7, Survey Plan [i.e., Sample Design, Data Collection and Preparation Plan, Analytic Plan, Reports and Deliverables]).

Activities: Following each objective, describe the activities to be conducted to achieve the objective. Use an annotated outline format in chronologic order to describe the activities, and include the following:

What will be done (e.g., sample design, data collection instrument development, data collection methods, data management, quality control, data analyses, collaboration activities, report preparation, and delivery of datasets to CDHS/TCS).

How much will be done (ranges are acceptable). Quantify the amount of work to be performed in order to justify the budget request. Indicate the length and frequency of activities, as appropriate.

Where activities will occur (e.g., location of data collection).

c. **Column 2: Copyright ©**

Place a copyright sign (©) next to each deliverable that is subject to copyright laws. This includes data collection instruments and protocols, educational materials and reports. Refer to Appendix B for more information regarding copyright of materials produced and Intellectual Property Rights.

d. **Column 3: Percent Deliverable**

A deliverable reflects tangible products and services developed or conducted under the agreement, such as survey instruments and protocols, data collection and analysis, and reports. Planning steps, attending meetings, staff hiring processes, etc., are not deliverables. For each deliverable, indicate the programmatic value with a percentage that reflects staff and budget resources used to produce that deliverable (inclusive of staff time and proportional support costs, and subcontracts as appropriate).

The total of the percentages assigned in the SOW must equal 100 percent, must be in increments of 0.5 percent, and no project deliverable may be assigned a percentage of less than 0.5 percent.

The percentage assigned to each deliverable should be determined carefully, as it is used to help determine the maximum amount the Contractor will be paid at the end of the agreement term.

At the end of the agreement, CDHS/TCS will determine whether any deliverable was not fulfilled in its entirety, or whether the quality of it was unsatisfactory, and may reduce the maximum amount payable to the Contractor accordingly.

e. **Column 4: Start/End Date**

Provide a time frame by giving a start and end date for each activity in six month increments (e.g., 07/07-12/07, 01/08-06/08).

f. **Column 5: Who is Responsible**

Indicate the staff position, subcontractor, or consultant responsible for each activity. The positions must correspond to the position titles used in the Budget Justification. You may abbreviate position titles (e.g., RS for Research Scientist).

g. **Column 6: Tracking Measures**

List the items used to document and verify that project activities are completed. The tracking measures should include, but not be limited to the following deliverables: survey instrument and pilot test results, description of the sampling plan, survey protocol, institutional review board approval, survey schedule, interviewer recruitment and training documents, final dataset, analyses and preliminary report, and final report. Additional examples of other tracking measures include number of interviewers trained, record of coordination with clinics (if applicable) or communities, survey logs, and number of surveys administered in particular clinics (if applicable).

h. **Columns 7-8: For Progress Report Use Only**

Leave blank.

7. **Budget and Budget Justification** (No attachment provided)
(no page limit) = 30 points

Funding preference is based on the following criteria:

- Propose a budget and budget justification that follows the RFP instructions.
- Ensure that all formulas and totals are correct.
- Provide sufficient justification detail in the narrative position descriptions and connect the staff positions to activities in the SOW.
- Propose reasonable personnel and consultant costs that are similar to State Civil Service Classifications.

- Provide a cost-effective justification for operating expenses (general expenses, travel, subcontracts, other costs) with enough narrative detail that connects the operating budget to SOW activities.

a. **Budget Justification Instructions**

The Budget Justification: 1) describes and justifies the expenditures associated with the activities in the SOW; and 2) helps evaluate the SOW and Budget. Please refer to Appendix F for the required Budget Justification format. This format is required to maintain a standardized review and audit trail. Please note-this is only a **sample** of how to complete the Budget Justification-all figures in the sample are fictitious.

Prepare one Budget Justification for the entire grant period. Only use whole numbers and round to the nearest dollar. When you complete the Budget Justification, transfer the totals to the Budget page.

The budget justification must be a reasonable and realistic expense plan for the project term. The agreement term is for twenty-four (24) months and is effective from July 1, 2007 to June 30, 2009.

When preparing the Budget Justification, take into consideration changes that may occur due to programmatic or administrative needs. For example, the number of staff may increase/decrease as program intensity fluctuates. Keep in mind funds that are unspent in one FY will not be available for use in the following FYs.

A budget justification Excel template is provided as an ***option*** to creating your own justification. You are **not** required to use this template. The template can be accessed at <http://www.dhs.ca.gov/tobacco/html/funding.htm>, RFP 06-55456 Supplemental Materials.

Budgets must be prepared and spent on a FY cycle as required by the State Department of Finance. Funds not spent in one FY will not be available for use in the following FY(s). It is imperative that Contractors prepare realistic and accurate FY Budgets based on the timelines and activities in your SOW.

The Budget Justification instructions provides information on standard line item expenses within each of the categories. However, additional line item expenses may be added based on the SOW needs and required activities within the proposed project. See Appendix E, Budget Justification Sample.

The Budget Justification must consist of four (4) columns:

- One narrative column that provides the information requested below for each of the category and line items,

- Two columns depicting the category and line item expenses for each FY period, and
- One column that displays the Total Expenses.

(1) **Personnel Costs**

This category of the Budget Justification provides detail on the following:

(a) Position Title:

List all position classifications or functional titles for positions in the contract. Management and fiscal personnel (e.g., Executive Director, Deputy Director, Attorney, Bookkeeper, etc.) budgeted at less than ten percent should not be included in the Salary Costs category, but should be included in the Indirect Expenses category. Any applicant having an established policy that includes such positions in the Salary Costs category must indicate and attach a copy of the policy to the Budget Justification. Submission of an established policy does not approve personnel listings. CDHS/TCS will make determinations on positions during negotiations.

(b) Salary Range:

Identify the actual salary range and the frequency of pay periods (monthly, semi-monthly, bi-weekly, weekly, hourly) for each position. The salary range shall reflect the frequency that the employee is actually paid. Do not use annual salaries. Whether part-time or full-time, enter the low-end and high-end of the full-time salary range for each position listed. Make sure the high-end of the salary range allows for any anticipated salary increases (e.g., Cost of Living Allowance [COLA], performance or merit salary adjustments) for each position. Examples of actual salary ranges are: \$3,000-\$4,100 per month, \$1,500-\$2,050 per semi-monthly pay period, \$600-\$750 per bi-weekly pay period, \$300-\$375 per week, \$15-\$20 per hour, etc.

Pursuant to Section 3.17.1 of the State Contracting Manual, salaries paid to agency staff shall not exceed those paid to State personnel for similar positions/classifications. See Appendix F for a listing of Comparable State Civil Service Classifications.

If any proposed salary exceeds the State personnel salaries, justify the reason and necessity for the higher rate. Any such justification will receive close review by the State, and

must be approved in writing by the State. CDHS/TCS may request additional information during contract negotiations.

(c) Percent of Full Time Equivalent (FTE):

For each position indicate the percent of FTE, in whole numbers, or the total hours per pay period. For example, a full-time employee is 100 percent time, an employee who works 20 hours of a 40-hour work week is 50 percent FTE. For hourly employees estimate the total number of hours per pay period (allow for low and high working cycles). If the amount of FTE for some positions varies from month to month, enter a percent of FTE **range** (e.g., 30-40 percent, or 10-20 hours per pay period, etc.).

FULL TIME EQUIVALENT = 2080 Hours Annually

(d) Pay Periods:

Indicate the number of pay periods for which payment shall be claimed. Pay periods are defined as follows:

Monthly = 12 pay periods per year

Semi-monthly = 24 pay periods per year

Bi-Monthly = 26 pay periods per year

Weekly = 52 pay periods per year

Hourly = "X" number of hours per pay period (*do not use percents of time if a position is paid hourly*).

(e) Description of Duties:

Provide a brief description of the duties, responsibilities, and activities to be performed by each position in support of this agreement. If staff are salaried higher than comparable state employees; then justify higher salaries by including the specialized skills, training, or education and the justification of work that will be performed.

(f) Amount Requested:

Calculate and list the dollar amount requested for each position. (Salary X percent of time X number of pay periods = Total for position).

NOTE: The total amount requested cannot be:

- ***Less than the lowest dollar amount computed by multiplying the low-end of the salary range by the low end of the percent of time by the lowest number of pay periods, or***
- ***Greater than the highest dollar amount computed by multiplying the high-end of the salary range by the high-end of the percent of time by the highest number of pay periods.***

(g) Total Personnel Costs:

Add all position dollar amounts requested to compute the Total Salary Costs.

(2) **Fringe Benefits**

Refer to Appendix G, Contract Uniformity, for specific allowable Fringe Benefits. Please note that Fringe Benefits **do not** include employee leave (e.g., annual leave, vacation, sick leave, holidays, jury duty, and/or military leave training), as these are to be included in each position's salary. List the benefits that your agency provides. If applicable, identify positions that will not receive benefits with an asterisk (*). List the percentage rate and the dollar amount requested for Fringe Benefits. If the percentage rate for benefits differs for various positions, indicate the low and high range (e.g., approximately 20 to 25 percent).

Total Personnel Expenses: Add the Total Personnel Costs and Fringe Benefits to compute the Total Personnel Expenses.

(3) **Operating Expenses**

NOTE: Items (a) and (f) below must appear in every Budget Justification. If there are no expenses related to these line items, please enter zero.

(a) TCS Communications Network (PARTNERS):

All funded Contractors are **required** to budget for this item and are required to obtain and maintain an active Policy Advocacy Resource Tobacco Network Education Response System (PARTNERS) account. While there is no charge to CDHS/TCS Contractors for the PARTNERS' subscription, your agency must budget for an Internet access provider. If you choose not to

budget for this line item, as the Contractor you must provide an explanation as to how you will access PARTNERS (i.e., agency has local area network with automatic access to the internet).

(b) Space Rent/Lease:

Provide the total number of square feet to be charged to this agreement and the cost per square foot for personnel/office space. Allow for any anticipated rate increases during the agreement term. Multiply these figures by the number of months in the Budget period to obtain the subtotal.

- Personnel/office space: Square footage shall not exceed 150 square feet per FTE plus reasonable square footage for shared/common space such as conference rooms, storage space, bath rooms, break rooms, etc.

Provide the total number of square feet and the budgeted amount to be charged to this agreement. Consider any rate increases during the agreement term. If the total square footage per FTE exceeds State standards, then justify the need for the additional space.

Example:

$$\begin{array}{l} 2 \text{ FTE} \times 150 \text{ sq. ft.} \times \$1.25/\text{sq. ft.} \times 12 \text{ mo.} = \$4,500 \\ 2 \text{ FTE} \times 150 \text{ sq. ft.} \times \$1.50/\text{sq. ft.} \times 12 \text{ mo.} = \$5,400 \end{array}$$

$$\text{Total for 24 mos.} = \$9,900$$

(c) General Expenses:

Include in this line item expenses for Office Supplies, Postage, Duplicating, and Communications.

- (i) *Office Supplies:* This expense is for general office supplies (e.g., pens, pencils, paper, etc.). Equipment, travel expenses, etc., are not considered office supplies.
- (ii) *Postage:* This expense is for postage for correspondence and other materials.
- (iii) *Duplicating:* This expense is for "in-house" duplicating and reproducing. The duplicating is internal and routine, usually for small office jobs. This can include the Contractor's share of the copy machine usage. It can also include copier maintenance agreements, copier supplies such as paper,

toner, etc. (Duplicating supplies such as paper, and toner may be included in either the Office Supplies line item or the Duplicating line item, but should not be included in both.)

- (iv) *Communications*: This expense refers to the installation and any monthly charges related to the telephone system including any 1-800 phone numbers and FAX line costs, etc.

Cellular phones and monthly access fees are not authorized for this agreement.

Total General Expenses: Add Items (i) through (iv) to compute the Total General Expenses.

(d) Printing:

Printing refers to the costs for printing and reproduction; this is usually for larger jobs completed by outside vendors, e.g., brochures, leaflets, posters, forms, surveys, flyers, information to participating clinics, etc.

(e) Equipment Rental:

List all rental equipment charged to the agreement, justify each item, and provide the monthly rental rate for each item, number of rental months, and the approximate dollar amount as required for the agreement term. Examples of rental items are computer and desk top office equipment and copy machines.

NOTE: "Renting/Leasing to own, Purchase/Leaseback, and Lease/Purchase" of equipment is not allowed.

(f) Audit Expenses:

NOTE: Based on your agency's policy you may budget for audit expenses in either the operating expense category or the indirect costs category.

The Contractor is required to conduct an audit in accordance with the requirements specified in the Federal Office of Management and Budgets Circular A-133, entitled "Audits of States, Local Governments, and Non-Profit Organizations." The Budget amount should represent the proportionate percentage of this agreement in relationship to your agency's total revenue. For example, if this agreement represents ten percent of the agency's total revenue, then this agreement would be responsible for no more than ten percent of the total annual audit costs. In the justification, provide the dollar amount allocated for the audit,

how you arrived at this figure, the percentage this agreement represents compared to your business' total revenue, and identify the FY in which you operate (e.g., July 1 through June 30). **When combined, this Audit Expense line item plus the Indirect Expenses line item must not exceed 25 percent of your Total Personnel Expenses (Personnel Costs plus Fringe Benefit line item amounts).** Contractor's choosing not to allocate funds for audit purposes must provide a written justification indicating how they intend to comply with the audit requirement.

- (g) Continue to add line items if needed, numbering sequentially following Audit Expenses. Please list them individually and be specific. Provide enough information to justify each additional line item.

Total Operating Expenses: Add all Operating Expense line items in order to compute the Total Operating Expenses.

(4) **Equipment Expenses:**

Due to the limited availability of funds for this RFP, the Equipment category will be limited to software purchases only. Software purchases will be considered on an individual basis and will depend upon the need of the Contractor and approval of CDHS/TCS.

List all software purchases, justify each item, and provide the approximate dollar amount. Justify the need for each software purchase.

(5) **Travel/Per Diem and Training:**

Travel and training are to be consistent with the needs of the evaluation project and supportive of the SOW. **Travel is reimbursed at the current State Department of Personnel Administration rates. See Appendix H, Travel Reimbursement Information. Additionally, State funds may not be used for out-of-state travel, per diem and training/conferences without prior written approval by CDHS/TCS. Travel funds may only be used for staff designated on the project.**

NOTE: The following line items must appear in every Budget Justification in the order presented here. If there are no expenses related to these line items, enter zero.

(a) Project Travel/Training:

- (i) *Project Travel:* Includes airfare, meals, lodging, incidental expenses, and mileage which are necessary to implement your SOW (e.g., to conduct surveys, to attend local meetings or trainings, etc.). Provide the approximate dollar amount requested for project travel that is directly related to completion of the SOW.
- (ii) *Project Training:* Includes registration fees for staff development or any other additional training events for professional and clerical staff necessary for the completion of activities in the SOW. Training may include courses on computer software, meeting facilitation, planning, leadership, etc. Provide the dollar amount requested for project training costs that are related to completion of the SOW.

(b) Optional CDHS/TCS Travel/Training:

- (i) There are no optional CDHS/TCS Travel/Trainings applicable to this RFP process; therefore, place a \$0 in this sub-line item in the budget justification.

(c) Required CDHS/TCS Travel/Training:

- (i) *Face-to-Face Meetings with CDHS/TCS:* Budget for the Project Director and one project staff member to attend two to three face-to-face meetings over the term of the agreement. It is anticipated that one meeting will be held in FY 2007-08 and two meetings will be held in FY 2008-09. All meetings will be held in Sacramento, California. Meeting topics may include survey development, discussion of survey findings, and discussion of presentation of survey findings at various meetings/conferences.
- (ii) Budget \$375 per person for a maximum of two people to attend. The \$375 for travel/per diem includes one night of lodging and airfare.
- (iii) *Project Directors' Meeting (PDM):* This is typically a two-to three-day conference for two to three program staff. Budget this expense in FY 2008-09.

Budget \$1,200 per person (\$1,000 for travel/per diem and \$200 for registration) for a maximum of two to three program staff to attend.

(iv) *Evaluation Task Force Meetings*: This annual meeting is typically a two-day meeting for contractors to discuss their findings to a group of elite evaluators that advise CDHS/TCS. The Contractor awarded will attend this meeting in FY 2007-08 and in FY 2008-09 to discuss the survey findings.

(v) Budget \$750 per person for a maximum of two people to attend. The \$750 for travel/per diem includes two nights of lodging and airfare.

(d) Out-of-State Travel:

Identify any possible out-of-state trips. Include the amount budgeted, number of staff, and purpose. All out-of-state travel not approved through this budget process will require written CDHS/TCS approval. However, final approval of any out-of-state travel will be contingent upon participating in the conference as a presenter, panel member, speaker, etc. The following out-of-state travel is optional during this agreement term:

(i) *National Conference on Tobacco or Health (optional)*

Contractors budgeting for this conference must be session presenters at the conference in order to attend. Contractors must submit to CDHS/TCS the documentation from the National Conference Committee to verify participation.

Budget \$1,700 per person (\$1,100 travel/per diem and \$600 registration) for one to two staff to attend the National Conference on Tobacco or Health. The Conference will be held in Minnesota during the summer of 2007-08. Estimate for expenses in the FY 2007-08 budget.

Total Travel Expenses: Add all Travel Expense line items in order to compute the Total Travel Expenses.

(6) **Subcontracts and Consultants:**

(a) Subcontracts are usually for long term projects needing salaried positions, fringe benefits, operating expenses, indirect costs, etc. The subcontractor must provide a specialized task that is directly related to the Rural California American Indian/Alaskan Native Tobacco Use Survey activities (e.g., Tribal Health Center Interviewers). The subcontractor's salary must not exceed those paid to State personnel for similar positions/classifications. See Appendix F for a list of Comparable State Civil Service Classifications.

Additionally, for each subcontractor listed, prepare and submit a separate Budget and Budget Justification using the format provided in Appendices D and E. The subcontractor's line item Budget must follow the same format and instructions as the prime Budget Justification and Budget page. However, a narrative that describes the activities to be performed and a budget amount may be submitted if the subcontractor is unknown at this time.

The concept of the subcontracts in the RFP will be reviewed by the assigned application reviewers. Prior to reimbursement, DHS/TCS must review and approve subcontract agreements costing \$5,000 or more.

Note: Subcontractor Indirect Costs shall not exceed 25 percent of their Personnel Expenses (Personnel Costs plus Fringe Benefit line item amounts).

- (b) Consultants are individuals whose level or area of expertise relating to Rural California American Indian/Alaskan Native Tobacco Use Survey specialized skills, formal education and professional experience extend beyond that possessed by the applicant's staff. Typical services provided by a consultant are professional advisement on programmatic issues (e.g., group facilitator, in-service training, program design and development, program evaluation, etc.). The rate should be commensurate with the consultant's level of education, training, expertise, and national recognition. **Every effort must be made to negotiate the lowest possible cost.** Consultants listed in the Budget Justification must also be referenced in the SOW.

For each consultant, provide the consultant name (or descriptive title if consultant is unknown), hourly rate, number of hours to be worked (e.g., per week, per month, per year, etc.), total cost, and brief description of the specific activities to be performed in the Tobacco Use Survey.

Remember: CDHS/TCS must review and approve consultant agreements costing \$5,000 or more prior to reimbursement.

- If Subcontractor/Consultant is known: Provide the name of the individual or entity, description of activities to be performed, period of time, and total cost for services. Subcontractors listed in the Budget Justification must also be referenced in the SOW.

- If the Subcontractor/Consultant is unknown: Indicate the generic title, (e.g., survey group, Evaluator, etc.), and provide a narrative that describes the activities to be performed, and the amount. Subcontractors listed in the Budget Justification must also be referenced in the SOW.
- **Prime Contractor's Subcontractors: The maximum indirect expense is 25 percent of Total Personnel Expense (includes total personnel and fringe benefits).**
- Total Subcontract/Consultant: Add all subcontract and consultant line item amounts to compute the Total Subcontract/Consultant.

(7) **Other Costs:**

- (a) Incentives are items of recognition (gift cards or other non-cash compensation) that may be provided to participants to ensure survey maximum response rates. One possible method is to present the individual participant with a \$10 incentive. In addition, individual Tribal Health Centers or Tribal Offices could receive a \$40 incentive if 80 percent of the surveys are returned and another \$10 incentive if 90 percent or above of the surveys are returned. Incentives should be budgeted and included in the SOW. The above is an example and may not necessarily be the structure decided by the contractor to induce maximum survey completion.

Make sure incentive items listed in the Budget Justification are also referenced in the SOW. Briefly describe the incentive plan, award levels and type (purchased item), and the total budgeted amount.

- (b) This category allows for additional line item expenditures that otherwise are not listed in this sample Budget Justification. If you use additional line items under Other Costs, list them individually and be specific. Provide enough information to justify each additional line item. All expenditures for items listed under this category must support activities in the SOW. Provide justification and the amount requested for each additional line item expenditure.

Total Other Costs: Add all line item amounts in this category to compute the Total Other Costs.

Total Direct Expenses: Add Total Personnel Costs, Total Operating Expenses, Equipment, Travel/Per Diem and Training Expenses, Total Subcontracts, and Total Other Costs to compute the Total Direct Expenses dollar amount requested.

(8) **Indirect Expenses:**

Indirect Expenses are defined as expenses not directly associated with the agency's deliverables, and **shall not exceed 25 percent of the Total Personnel Expenses line item dollar amount (Personnel Costs plus Fringe Benefits)**. Examples of Indirect Expenses are: management and fiscal personnel (e.g., Executive Director, Deputy Director, Attorney, Bookkeeper), bookkeeping and payroll services, utilities, building and equipment maintenance, janitorial services, insurance costs, and any expenses related to the mandatory annual Financial and Compliance audit, if not included in the Operating Costs category.

Identify and list all Indirect Expenses to be charged to this agreement, and determine the dollar amount proposed. Calculate the Indirect Expenses Percentage Rate (divide the dollar amount requested for Indirect Expenses by the dollar amount requested for the Total Personnel Cost). List the calculated percentage range for Indirect Expenses and the total dollar amount requested.

Note: Costs associated with the annual Financial and Compliance Audit may either be budgeted in this line item or budgeted in the Audit line item in the operating expense category. If audit costs are budgeted in the operating expense, the Audit Expense line item plus the Indirect Expenses line item must not exceed 25 percent of the of the Total Personnel Costs line item.

Total Expenses: Add items (1)-(8) to compute Total Expenses.

b. **Budget Page Instructions**

(1) **Budget Page Instructions:**

The Budget Sample, Appendix D, is a summary of the expenses described in the Budget Justification. It must be reasonable, realistic, cost-effective, and appropriate to the proposed SOW. The Budget is the controlling mechanism for expenditures and the basis for approval of invoices.

Prepare one Budget page that reflects the individual budgets for each FY of the agreement term. Using the required Budget format provided in Appendix D, Budget Sample, transfer the figures from

the Budget Justification for each of the FYs. Only use whole numbers and round to the nearest dollar. The approved Budget will be incorporated into the agreement.

A budget page Excel template is provided as an option to creating your own budget page. You are not required to use this template. The template can be accessed at <http://www.dhs.ca.gov/tobacco/html/funding.htm> RFP 06-55456, Supplemental Materials.

(2) **Budget Page Format:**

- (a) Prepare one budget page for each of the following periods of time. See Appendix D, Budget Sample:

July 1, 2007 to June 30, 2008; and
July 1, 2008 to June 30, 2009.

- (b) Each of the Budget pages must contain all eight (8) expense categories:

1. Personnel Costs;
2. Fringe Benefits;
3. Operating Expenses;
4. Equipment Expenses;
5. Travel/Per Diem and Training;
6. Subcontract/Consultant;
7. Other Costs; and
8. Indirect Expenses.

- (c) Provide only one Budget page for each FY. If you are unable to itemize the entire complete budget category on one page, you are to establish an attachment page, i.e., Attachments I(a), I(b), or I(c). Examples of categories that may require an attachment page are: Personnel, Subcontract/Consultants, and Other Costs categories. Refer to Appendix E for samples of the correct RFP Budget format required.

c. **Additional Required Forms**

Attachments 5 and 6 require completion/signature by the person authorized to bind the agency. View or download attachments and required forms at the internet site: <http://www.dhs.ca.gov/tobacco/html/funding.htm> RFP 06-55456.

- (1) **Agency Documentation Requirements** (Attachment 5).
- (2) **Certification of Non-Acceptance of Tobacco Funds** (Attachment 6).

d. **Appendix**

Include the Curriculum Vitae of key professional staff as indicated in Section II of this RFP.

For your convenience, fillable electronic forms are available at <http://www.dhs.ca.gov/tobacco/html/funding.htm>, RFP 06-55456, Supplemental Materials.